



HAMPSHIRE RUGBY FOOTBALL UNION LIMITED

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7th August 2020

To all Hampshire RFU Clubs

You will be only too aware of the challenges that Covid-19 is presenting to our sport and in particular your own club's membership and business. In common with our clubs, the RFU, like many other organisations, is facing significant revenue reductions as a result of the Covid-19 crisis, and is like you having to take some tough decisions on how to navigate through this pandemic. It is important, therefore, that I share with you some of the details of that challenge and assure you that we are doing everything possible to support our member clubs and the sport we value.

Detailed scenario modelling shows there may be a short-term impact of £107m in lost revenues in this financial year with a lasting longer-term impact. The organisation is projecting a 4-5 year recovery with cumulative revenue reductions of around 20% based on a difficult economic environment and softer commercial market.

As a result, and in order to safeguard the future of the RFU and our role in supporting the game, the organisation needs to reduce its overall cost base. Unfortunately this has led to the need to reduce headcount. All areas and departments of the RFU are impacted in the proposed reduction in roles. These redundancies are not a short-term cost reduction exercise, the RFU will get through this and our priority is to emerge stronger but the impact of Covid-9 will continue to affect many areas of society for many years to come – this is about the long-term.

A large number of Rugby Development employees are currently at risk of redundancy. The proposed scale of reduction in the Rugby Development department makes it essential that we exploit and explore new ways of working and the difficult and correct decision has been made to remodel the structure. We could not do what is necessary by making marginal adjustments. A total of 185 individuals have been placed at risk with 81 new roles being created.

The RFU is currently in a formal consultation process with all affected employees - more details will be made available once this is completed. It is important to note, the change is not in any way a reflection on the performance of colleagues or a statement about things not working or being ineffective, it is a change of direction necessitated by the impact of Covid-19 and the resulting financial impact.

The proposed new structure is built around ensuring the delivery of the RFU strategy to support the community game. This recognises that the vast majority of rugby is delivered by clubs and volunteers and that the RFU's role is to support those clubs and volunteers in doing this. I repeat and emphasise that the community game is the lifeblood of our sport, without a strong grassroots there is no English rugby. The RFU's focus will be on three key areas of work:

- CLUB SUPPORT – supporting clubs in operating sustainably through facility/business support, volunteer development, member recruitment and targeted club financial support
- COACHING & REFEREEING – supporting effective training, qualifications, development & deployment for coaches and match officials
- PLAYER EXPERIENCE – managing and growing competitions & mass playing opportunities, supporting a strong player pipeline through schools, colleges & universities and initiating targeted player growth & retention

In addition to the above, clubs and participation will no longer just be the domain of the Rugby Development department, it will be a key focus for the whole organisation. Employees will be provided with training and support to be sure the external expectations are managed in the early stages of any change.

The restructure will of course require the RFU to work differently; collaboratively across the organisation and externally with the game (including clubs, CBs and educational institutions). This new way of working with the game will be developed over the next few months but it is likely to involve working more virtually, with less time spent travelling and with greater use of technology. There will be a need to establish a different kind of relationship with member clubs, working more with groups of people and clubs rather than individually. Lockdown has forced so many to work differently and we will need to learn from what has worked successfully and take advantage of new skills.

The community game is critical and the foundations of the RFU – continuing to deliver for the community in the most effective way possible is at the heart of all decisions. The RFU will update on the outcomes following the consultation process and I am available to answer any questions, so that Rugby in the County is protected and sustained. Attached is a briefing document produced by the RFU to help answer some of the questions you may have that I've not covered in this communication

Terry Burwell
RFU Council Member, Hampshire